

On the Horizon

Key Developments Likely to Affect
Pension Schemes



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There are a number of legislative and regulatory changes in the pipeline.

Expected Date	Topic	Summary
2023		
September 2023	General code of practice	The Pensions Regulator's (TPR) general code (previously called the single code) is expected to be laid before Parliament.
1 October 2023	Statutory Money Purchase Illustrations (SMPs)	Changes to assumptions used for SMPs will take effect.
1 October 2023	DC investments	DC default arrangement disclosure requirements for illiquid assets come into force: chair's statements must disclose default fund asset allocation, and DC default SIPs must explain trustees' policy on illiquid assets.
Autumn 2023	Automatic enrolment	The Department for Work and Pensions (DWP) is expected to consult on proposals to extend automatic enrolment (lowering the eligible age from 22 to 18, and removing the lower earnings limit so that contributions are calculated from the first pound of earnings).
Autumn 2023	Collective Defined Contribution (CDC) schemes	DWP will consult on draft regulations for whole-life multi-employer CDC schemes.
Q4 2023	Guidance and advice	The Financial Conduct Authority (FCA) is due to publish findings from its retirement income advice thematic review.
2023	Pensions dashboards	The government and the Pensions Dashboard Programme (PDP) will collaborate with industry to develop guidance that will include a staging timetable.



2023	Pensions Regulator	Extension of notifiable events framework had been expected to come into force on 6 April 2022 but the regulations are still awaited.
2024		
April 2024	Scheme funding	It is expected that valuations with effective dates from April 2024 will need to comply with the new legislation and revised code of practice.
April 2024	Tax relief in net pay schemes	To address anomalies in tax relief, low earners in net pay schemes become entitled to top-up payments from HMRC for contributions made in 2024/25 onwards (payable from 2026/27).
April 2024	Lifetime Allowance (LTA)	LTA expected to be abolished (provisions in draft legislation for Finance Bill 2023-24).
Late 2024	Climate change	Subject to consultation in 2023, climate risk governance and disclosure requirements may extend to smaller schemes (assets under £1 bn).

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